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GRANGEVILLE, IDAHO MAN CONVICTED OF SOLICITING MURDER OF FEDERAL OFFICIALS

WASHINGTON, D.C. - Assistant Attorney General Christopher A. Wray of the Criminal Division announced today that a Grangeville, Idaho businessman was convicted today on three counts of soliciting the murders of a federal judge, a federal prosecutor, and an IRS agent in retaliation for a prior criminal case brought against him.

After a three-week trial in Boise, Idaho, a jury took two days to find David Roland Hinkson guilty of soliciting the murders of U.S. District Judge Edward J. Lodge, Assistant U.S. Attorney Nancy D. Cook, and Internal Revenue Service Special Agent Steven M. Hines. Hinkson was acquitted on three counts related to a separate solicitation to murder the same individuals, and two counts of making threats against the immediate family members of AUSA Cook and SA Hines. The jury deadlocked on three counts of making a third solicitation to murder the judge, the prosecutor and the IRS agent.

The jury found that Hinkson had offered \$10,000 per killing to murder the federal officials. Hinkson faces a maximum of 20 years in prison on each of the three solicitation charges. Sentencing is set for April 25, 2005, before Judge Richard C. Tallman at the federal courthouse in Boise.

Hinkson owns and operates a business in Grangeville called Water Oz, which supplies dietary supplements over the Internet. This business sells various products, including mineral waters, that Hinkson claims can treat a wide variety of human ailments, from carpal tunnel syndrome to AIDS and cancer. The business made Hinkson a wealthy man.

In the summer of 2000, the IRS launched a criminal investigation based on evidence that he had willfully failed to file income tax returns or pay employment taxes for his workers. That investigation ultimately produced a 43-count indictment charging Hinkson with failure to file income taxes, failure to pay employment taxes, mislabeling his water products to overstate their mineral content, marketing adulterated drugs, selling misbranded and adulterated ozone generators, and structuring financial transactions to avoid bank currency reporting requirements. In May 2004, Hinkson pleaded guilty to two of the product-violation charges and was found guilty on all of the tax and structuring charges.

Cook was the prosecutor from the Office of the U.S. Attorney for the District of Idaho who was initially assigned to prosecute Hinkson in the tax case. Hines was the lead investigating agent for the Internal Revenue Service. Judge Lodge handled various aspects of the tax case, and he dismissed a civil case Hinkson had filed alleging that his constitutional rights had been violated by Cook and Hines.

“Trying to put a hit on a federal judge, a prosecutor and an agent is an egregious attack on our system of justice and the rule of law,” said Assistant Attorney General Wray. “We are grateful to the jury for recognizing this and providing justice for these victims, who were simply doing their jobs in the pursuit of justice.”

The solicitation and threat case was prosecuted by attorneys Michael P. Sullivan and Michael Taxay of the Criminal Division of the U.S. Department of Justice. The Office of the U.S. Attorney for the District of Idaho was recused from the prosecution because Cook was a victim. U.S. Attorney Thomas E. Moss stated, “I appreciate the hard work and dedication that the prosecutors brought to this important case.” Because Judge Lodge was also a victim, the case was tried before a visiting judge from the Ninth Circuit Court of Appeals, U.S. Circuit Judge Richard C. Tallman.

The case was investigated by the Federal Bureau of Investigation in conjunction with the Treasury Inspector General for Tax Administration.

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